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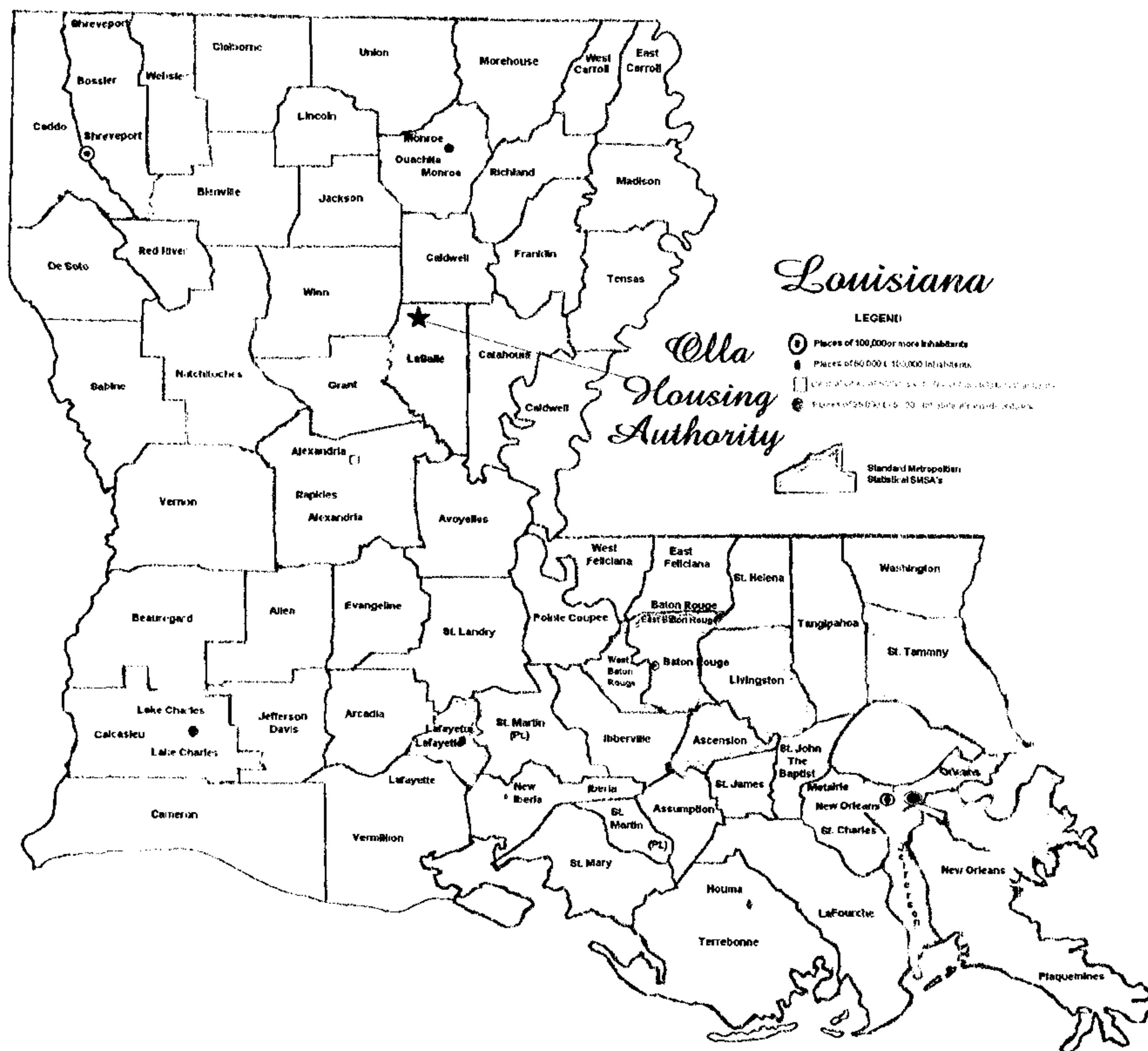
**HOUSING AUTHORITY OF
THE TOWN OF OLLA
OLLA, LOUISIANA**

*Report On Compiled
General Purpose Financial Statements
Twelve Months Ended June 30, 2000*

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Council or, where appropriate, at the office of any parish or court.

Release Date 11-01-00

HOUSING AUTHORITY OF THE TOWN OF OLLA OLLA, LOUISIANA



* The Olla Housing Authority is chartered as a public corporation for the purpose of administering housing programs for low income families. Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has entered into a contract with the Olla Housing Authority to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

**HOUSING AUTHORITY OF THE TOWN OF OLLA
OLLA, LOUISIANA**

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JOHN R. VERCHER PC

Certified Public Accountant

P.O.Box 1608

Jena, Louisiana 71342

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ACCOUNTANT'S COMPILATION REPORT ON GENERAL PURPOSE FINANCIAL STATEMENTS

Board of Commissioners
Housing Authority of the Town of Olla
Rt. 1 Box 108
Washington St.
Olla, LA 71465

I have compiled the general purpose financial statements, supplemental statements and graphs of the Housing Authority of the Town of Olla, as of and for the year ended June 30, 2000, as listed in the table of contents, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report dated July 25, 2000, on the results of our agreed-upon procedures,

July 25, 2000
Jena, Louisiana

John R. Vercher

MEMBER
-----AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS-----
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

JOHN R. VERCHER PC

Certified Public Accountant

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Housing Authority of the Town of Olla
Rt. 1 Box 108
Washington St.
Olla, LA 71465

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Housing Authority of the Town of Olla and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Housing Authority of the Town of Olla's compliance with certain laws and regulations during the year ended June 30, 2000 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

* My review of expenditures found no amounts for materials and supplies exceeding \$5,000 or public works exceeding \$50,000.00

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

* Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

* Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

* None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

MEMBER
-----AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS-----
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

* I obtained a copy of the budget.

6. Trace the budget adoption and amendments to the minute book.

* The board approved the budget in the minutes.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

* Actual revenues or expenditures did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

* I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

* All of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

* Inspection of documentation supporting each of the six selected disbursements indicated approvals from the executive director and the chairman of the Board of Commissioners.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

* The Housing Authority posts its meetings.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

* I inspected all bank deposit entries in the books for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

* A reading of the minutes of the authority for the year indicated no approval for the payments noted. I also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I did not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of Housing Authority of the Town of Olla and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

John R. Vercher

Jena, Louisiana
July 25, 2000

**HOUSING AUTHORITY OF THE TOWN OF OLLA
OLLA, LOUISIANA**

**COMBINED BALANCE SHEET
June 30, 2000**

Annual Contributions Contract FW-2200

	General Fund	Capital Projects	General Fixed Assets	Total (Memorandum Only)
ASSETS				
Cash	\$ 3,589	\$ -0-	\$ -0-	\$ 3,589
Investments	108,942	-0-	-0-	108,942
Deferred Charges	2,350	-0-	-0-	2,350
Prepaid Insurance	6,436	-0-	-0-	6,436
Land, Structures, & Equipment	-0-	-0-	1,651,891	1,651,891
TOTAL ASSETS	\$ 121,317	\$ -0-	\$ 1,651,891	\$ 1,773,208
LIABILITIES				
Accounts Payable	\$ 754	\$ -0-	\$ -0-	\$ 754
Tenants' Security Deposits	3,346	-0-	-0-	3,346
Accrued Pilot	4,089	-0-	-0-	4,089
TOTAL LIABILITIES	\$ 8,189	\$ -0-	\$ -0-	\$ 8,189
Fund Balance	113,128	-0-	-0-	113,128
Investments in Fixed Assets	-0-	-0-	1,651,891	1,651,891
TOTAL LIABILITIES AND SURPLUS	\$ 121,317	\$ -0-	\$ 1,651,891	\$ 1,773,208

"See Accountant's Report"
The notes are an integral part of this statement.

**HOUSING AUTHORITY OF THE TOWN OF OLLA
OLLA, LOUISIANA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
Twelve Months Ended June 30, 2000**

Annual Contributions Contract FW-2200

	General Fund	Capital Projects	Total
Operating Revenue:			
Dwelling Rental	\$ 52,359	\$ -0-	\$ 52,359
Interest on General Fund Investments	4,556	-0-	4,556
Other Income	5,803	-0-	5,803
HUD Operating Subsidy	45,735	-0-	45,735
Intergovernmental Revenue	-0-	6,322	6,322
Total Operating Revenue	\$ 108,453	\$ 6,322	\$ 114,775
Operating Expenditures			
Administration	\$ 37,088	\$ 72	\$ 37,160
Utilities	11,465	-0-	11,465
Ordinary Maintenance & Operation	20,585	-0-	20,585
General Expenditures	29,775	-0-	29,775
Capital Expenditures	3,664	-0-	3,664
Fees/Costs	-0-	6,250	6,250
Total Operating Expenditures	\$ 102,577	\$ 6,322	\$ 108,899
EXCESS OF REVENUES OVER EXPENDITURES	5,876	-0-	5,876
FUND BALANCE, BEGINNING	107,252	-0-	107,252
FUND BALANCE, ENDING	\$ 113,128	\$ -0-	\$ 113,128

"See Accountant's Report"
The notes are an integral part of this statement.

**HOUSING AUTHORITY OF THE TOWN OF OLLA
OLLA, LOUISIANA**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET (GAAP) BASIS
Twelve Months Ended June 30, 2000**

Annual Contributions Contract FW-2200

	General Fund			Capital Projects 99 CIAP LA 48P12490299		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenue						
Dwelling Rental	\$ 53,000	\$ 52,359	\$ (641)	\$ -0-	\$ -0-	\$ -0-
Interest on General Fund						
Investments	4,550	4,556	6	-0-	-0-	-0-
Other Income	5,810	5,803	(7)	-0-	-0-	-0-
HUD Operating Subsidy	45,735	45,735	-0-	-0-	-0-	-0-
Intergovernmental Revenue	-0-	-0-	-0-	6,322	6,322	-0-
Total Operating Revenue	<u>\$ 109,095</u>	<u>\$ 108,453</u>	<u>\$ (642)</u>	<u>\$ 6,322</u>	<u>\$ 6,322</u>	<u>\$ -0-</u>
Operating Expenditures						
Administration	\$ 38,620	\$ 37,088	\$ 1,532	\$ 72	\$ 72	\$ -0-
Utilities	11,560	11,465	95	-0-	-0-	-0-
Ordinary Maintenance & Operation	20,360	20,585	(225)	-0-	-0-	-0-
General Expenditures	30,100	29,775	325	-0-	-0-	-0-
Capital Expenditures	3,670	3,664	6	-0-	-0-	-0-
Fees/Costs	-0-	-0-	-0-	6,250	6,250	-0-
Total Operating Expenditures	<u>\$ 104,310</u>	<u>\$ 102,577</u>	<u>\$ 1,733</u>	<u>\$ 6,322</u>	<u>\$ 6,322</u>	<u>\$ -0-</u>
EXCESS OF REVENUES OVER EXPENDITURES	4,785	5,876	1,091	-0-	-0-	-0-
FUND BALANCE, BEGINNING	107,252	107,252	-0-	-0-	-0-	-0-
FUND BALANCE, ENDING	<u>\$ 112,037</u>	<u>\$ 113,128</u>	<u>\$ 1,091</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

"See Accountant's Report"
The notes are an integral part of this statement.

*Housing Authority of
the Town of Olla
Olla, Louisiana*

Notes to the Financial Statements

(1) SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Organization –

The entity is chartered as a public corporation for the purpose of administering housing programs for low income families.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-income housing programs in the United States. Accordingly, HUD has entered into a contract with the entity to make annual contributions (subsidies) for the purpose of funding its programs for low-income families.

B. Financial Reporting -

1. **Reporting entity.** This report includes all funds and accounts which are controlled by the entity's governing body. Control was determined on the basis of budget adoption, authority to issue debt, authority to execute contracts and general oversight responsibility. The board is appointed by the Town of Olla, Louisiana and is considered a related organization to that body. However, the Olla Housing Authority is a legally separate entity and these financial statements contain only the financial activity of the entity.

2. **Fund accounting.** The accounts of the Olla PHA (Public Housing Authority) are organized on the basis of funds and on account groups, each of which is considered a separate accounting entity. The fund and the account group are reported by generic fund type in the financial statements

GOVERNMENTAL FUND TYPE

General Fund

The general fund is the general operating fund of the PHA and is used to account for all financial resources except for those required to be accounted for in another fund.

ACCOUNT GROUP

General Fixed Assets Account Group

This account group is established to account for all fixed assets of the PHA, except those accounted for in the general fund.

3. **Basis of accounting.** Basis of accounting refers to the time at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurement made, regardless of the measurement focus applied.

Governmental Funds

These funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets.

*Housing Authority of
the Town of Olla
Olla, Louisiana*

*Notes to the Financial Statements
(Continued)*

(1) SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - (CONT.)

Governmental Funds- (Cont.)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

C. Total Columns on Statements -

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

(2) CASH AND INVESTMENTS

Deposits

It is the Authority's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The Authority's deposits are categorized to give an indication of the level of risk assumed by the District at year-end. The categories are describes as follows:

- ***Category 1*** – Insured or collateralized with securities held by the District or by its agent in the Authority's name.
- ***Category 2*** – Collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.
- ***Category 3*** – Uncollateralized.

	Book Balance 06/30/2000
Cash on Hand	\$ 50
Unreconciled Cash in Bank	112,481
Total Unreconciled Cash	<u>\$ 112,531</u>
<i>Secured as Follows:</i>	
FDIC (<i>Category – 1</i>)	\$ 100,000
50,000Federal Home Bank (<i>Category -2</i>)	49,338
Total	<u>\$ 149,338</u>

*Housing Authority of
the Town of Offa
Offa, Louisiana*

*Notes to the Financial Statements
(Continued)*

(3) FIXED ASSETS

All fixed assets are stated at cost. Changes in fixed assets are as follows:

	Beginning Of Period	Additions	Deletions	End of Period
Land & Land Improvements	\$ 365,876	\$ -0-	\$ (324,576)	\$ 41,300
Buildings	2,111,716	-0-	(504,789)	1,606,927
Equipment	102,459	3,664	(102,459)	3,664
Total	\$ 2,580,051	\$ 3,664	\$ (931,824)	\$ 1,651,891

All land and buildings are encumbered by a Declaration of Trust in favor of the United States of America as security for obligations guaranteed by the government and to protect other interests of the government.

(4) BUDGETS

The following summarizes the budget activities of the Housing Authority during the year ended June 30, 2000:

1. The Housing Authority adopted a budget for the General Fund.
2. The budget is prepared on the modified accrual basis of accounting. All appropriations lapse at year end.
3. Encumbrances are not recognized within the accounting records for budgetary control purposes.
4. Formal budget integration (within the accounting record) is employed as a management control device.
5. The executive director is authorized to transfer amounts between line items within any fund, with the exception of salaries, provided such does not change the total of any function. However, when actual revenues within a fund fail to meet budgeted revenues by five per cent or more and/or actual expenditures within a fund exceed budgeted expenditures by five per cent or more, a budget amendment is adopted by the Housing Authority in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. The budget for the year was amended.
6. HUD approves all budgets adopted by the Housing Authority.

(5) CONTINGENCIES

The entity is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the entity in the current and prior years. These examinations may result in required refunds by the entity to federal grantors and/or program beneficiaries.

*Housing Authority of
the Town of Olla
Olla, Louisiana*

*Notes to the Financial Statements
(Continued)*

(6) COMMISSIONERS

<u>Name</u>	<u>Title</u>	<u>Salary</u>
Curtis C. Richardson	Chairman	\$ -0-
Cariece Duke	Commissioner	-0-
Michael Duke	Commissioner	-0-
Rachael Tatum	Commissioner	-0-
Sandy Carraway	Commissioner	-0-

(7) LITIGATION

The Authority had no outstanding judgments or pending litigation as of June 30, 2000.

(8) RETIREMENT PLANS

The Authority provides a simplified employer pension (SEP) to its employees. The Authority pays 8% of the employee's salary into the fund each year. Total cost to the PHA for the year was \$2,106.00

(9) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(10) ENCUMBRANCES

The Authority does not utilize encumbrance accounting.

*Housing Authority of the Town of Olla
Olla, Louisiana*

*Management Letter Comments
For The Year Ended June 30, 2000*

There were no management letter comments.

Housing Authority of the Town of Olla
Olla, Louisiana

Schedule Of Prior Year Findings
For The Year Ended June 30, 2000

There were no prior year findings or management letter comments.

*HOUSING AUTHORITY OF THE TOWN OF OLLA
OLLA, LOUISIANA*

*STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
June 30, 2000*

Annual Contributions Contract 2200

The Actual Modernization Costs are as follows:

	<u>Project 902-99</u>
Funds Approved	\$ 6,322
Funds Expended	<u>6,322</u>
Excess of Funds Approved	<u>\$ -0-</u>
 Funds Advanced	 \$ 6,322
Funds Expended	<u>6,322</u>
Excess of Funds Advanced	<u>\$ -0-</u>

"See Accountant's Report"
The notes are an integral part of this statement.

LOUISIANA ATTESTATION QUESTIONNAIRE

July 25, 2000

John R. Vercher (Auditor)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of July 25, 2000 (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [x] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [x] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [x] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [x] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [x] No []

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [x] No []

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [x] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [x] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [x] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [x] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Secretary _____ Date

Treasurer _____ Date

Michael Riley _____
President 7-26-00 Date

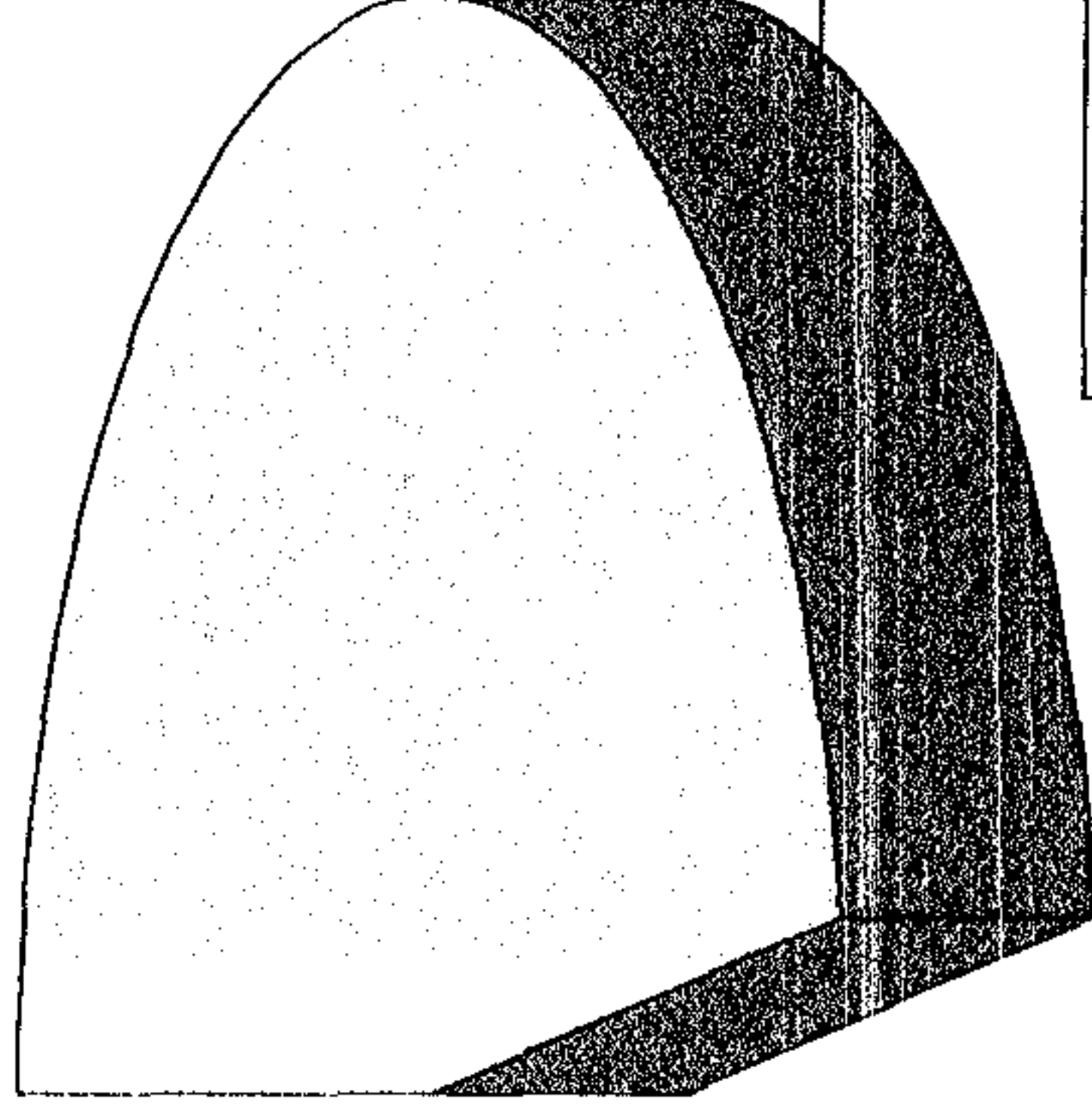
Graphs

OLLA HOUSING AUTHORITY

OPERATING REVENUES JUNE 30, 2000

INTEREST
\$4,556

DWELLING RENTAL
\$52,359



HUD OPERATING
SUBSIDY
\$45,735

OTHER INCOME
\$5,803

OLLA HOUSING AUTHORITY

OPERATING EXPENDITURES JUNE 30, 2000

CAPITAL
EXPENDITURES
\$3,664

GENERAL EXPENSE
\$29,775

ADMINISTRATION
\$37,088

ORDINARY
MAINTENANCE
& OPERATION
\$20,585

UTILITIES
\$11,465

